

Improved Instream Flows:

CALFED Recommended Level of Funding: \$14,500,000
Total Funds Obligated Through December 31, 1998:\$14,450,000
Total Funds Expended Through December 31, 1998: \$0

1) **Program Title:** Environmental Water Acquisition Program

CALFED Recommended level of funding: \$14,450,000
Funds obligated through December 31, 1998:\$14,450,000
Funds expended through December 31, 1998: \$0

Funding provided to: U.S. Bureau of Reclamation

Project Description: The Environmental Water Acquisition Program will be guided by policy principles being developed by the stakeholders through the Ecosystem Roundtable. These principles will focus on fostering local partnerships, ensuring adequate evaluation, avoidance and mitigation of any potential local economic effects, and developing activities which provide the greatest ecosystem benefit relative to cost. The Ecosystem Roundtable is currently in the process of developing these principles. The program will focus on activities to improve instream flows to benefit the priority species in cooperation with the existing Environmental Water Acquisition Program operating under the Central Valley Project Improvement Act. Activities under this program can include multi-year water transfers or acquisitions, funding for water use efficiency measures to allow increases instream flows, and funding for foregone power revenues in exchange for increased bypass flows. The U.S. Bureau of Reclamation will coordinate this program with CALFED program staff to accomplish the goals of this program.

First Quarter Accomplishments:

Reclamation and the National Fish and Wildlife Foundation are working with CALFED Program Staff and the Ecosystem Roundtable in further definition of this program. No water was acquired with these funds during this quarter.

2) **Project Title:** Environmental Water Acquisition Study

CALFED Recommended Level of Funding: \$50,000
Total Funds Obligated Through December 31, 1998: \$0
Total Funds Expended Through December 31, 1998: \$0

Funding provided to: U.S. Bureau of Reclamation

Project Description: To improve coordination between CALFED and CVPIA water acquisition programs, CALFED will conduct a review of the Water Acquisition Program being implemented under the mandate of Section 3406(b)(3) of the Central Valley Project Improvement Act. The objective of this study is to determine what is needed to develop and implement an effective, coordinated, long-term water acquisition program in a timely fashion. Reclamation proposes hiring a contractor to prepare an assessment of the CVPIA Water Acquisition program. The contractor will interview the CVPIA Water Acquisition Program manager as well as other managers of similar water purchase/transfer programs (similar programs include: the State Drought Water Bank, the State Water Project Supplemental Water Purchase Program, and the Yakima River Basin Water Enhancement Program). After

they've analyzed the data collected, the contractor will prepare a comprehensive report detailing their findings.

First Quarter Accomplishments:

Reclamation is working with the stakeholder community in the development of this study. Pending concurrence of discussions regarding the focus of the Environmental Water Acquisition Account, this study will proceed.